

Related transactions in 2019

1. At the Board of Directors' Meeting # 9/2561 held on January 11, 2019 and the Board of Directors' Meeting # 2/2562 held on June 14, 2019 attended by 4 members of the Audit Committee, resolutions were passed as follows:

1.1 To allow the Company to provide a joint guarantee for Toyobo Saha Safety Weave Co., Ltd. in the latter's credit lines respectively extended by

- Sumitomo Mitsui Banking Corporation in the amount of	50	million Baht
- Mizuho Bank, Ltd.	"	50
- Bank of Ayudhya Plc.	"	<u>50</u>
Total	<u>150</u>	million Baht

With Toyobo Co., Ltd. (Japan) being the guarantor for the full amount in order to be eligible for the lowest interest rate available, and companies in the Saha Group, as the Thai investors, providing joint guarantee of 25.00% or THB 37.50 million of the total guarantee amount in proportion to their investment in Toyobo Co., Ltd. (Japan), resulting in ICC's share of the joint guarantee at 7.00% , amounting to THB 10,500,000.-.

1.2 To allow the company to provide an extension of two-year guarantee facilities starting from June 28, 2019 to June 30, 2021 for Toyobo Saha Safety Weave Co., Ltd. with regard to credit lines from Sumitomo Mitsui Banking Corporation, Mizuho Bank and the Bank of Ayudhya in the proportion of investment by Thai investors. The credit limit provided by the bank totaled THB 1,008,000,000.-, with the joint guarantee proportionate to Thai party investment provided by ICC was 7.00% amounting to a loan guarantee set at THB 70,560,000.-

To agenda 1.1 - 1.2, Director(s) with conflict of interest or being related parties who neither attended nor voted at the meeting : None

2. At the Board of Directors' Meeting # 11/2561 held on March 15, 2019 attended by 4 members of the Audit Committee, resolutions were passed to allow the company to provide an extension of three-year guarantee facilities for Transcosmos (Thailand) Co., Ltd. with regard to credit limit from Trancosmos Inc. (Japan) in the proportion of investment starting from March 16, 2019 to March 15, 2022. The credit limit provided by the bank totaled THB 100,000,000.-. This joint guarantee proportionate to Thai party investment provided by ICC was 9.00% amounting to a loan guarantee set at THB 9,000,000.- .

To this agenda, Mr. Thamarat Chokwatana, Director with conflict of interest or being related parties, neither attended nor voted at the meeting.

3. At the Board of Directors' Meeting # 1/2562 held on May 17, 2019 attended by 4 members of the Audit Committee, resolutions were passed to allow the company to provide an extension of one-years guarantee facilities, starting from May 31, 2019 to May 31, 2020, for Tokyu Corporation (Japan) to the Bank of Ayudhya Plc. for the Credit Line of Saha Tokyu Corporation Co., Ltd., in the proportion of investment. The credit limit provided by the bank totaled THB 100,000,000.- of which ICC's share of the joint guarantee proportionate to its investment of 12.00% amounted to THB 12,000,000.- .

To this agenda, Director(s) with conflict of interest or being related parties who neither attended nor voted at the meeting : None

Purpose of transaction in items 1-3:

1. To provide business support to the JV company
2. To comply with obligations of the joint venture agreement

4. At the Board of Directors' Meeting # 11/2561 held on March 15, 2019 which was attended by 4 members of the Audit Committee, resolutions were passed on the following matters:

- To allow the Company to lease immovable properties for no more than 3 years, as well as executing transactions relating to the assets and services of related parties. For details of the said parties and their relationship to the Company, please refer to Business-related Companies on pages 129-131 of this Annual Report

Such leasing of property and transactions relating to the assets and services had a total value of less than THB 606 million (less than 3% of NTA as at December 31, 2019).

1. Rental income (immovable property), with one-year lease, the actual amount in 2019	=	22,726,498	Baht
2. Rental expense (immovable property), with one-year lease, the actual amount in 2019	=	230,400	Baht
3. Royalty income with three-year agreement period starting from 2017 to 2019, the actual amount in 2019	=	2,132,242	Baht
4. Royalty payment with five-year agreement period starting from 2018 to 2022, the actual amount in 2019	=	17,656,629	Baht
5. Actual expenses in 2019	=	109,133,493	Baht
- Interior design and fixtures	Total		

- Business and legal consultancy fees
- Construction and repairs to old building
- Training expenses
- Service fee for sales personnel at events

To this agenda, Mr. Boonkiet Chokwatana, Mr. Thamarat Chokwatana, Mr. Nophorn Bhongsvej, Mr. Manu Leelanuwatana, Mrs. Kobsuk Saengsawad, Miss Munchusa Terapongpipat and Surat Wongrattanapassorn Ph.D., the directors with conflict of interest or being related parties, neither attended nor voted at the meeting.

Note : Related transactions, which occurred in the past 3 years are available on the company's website (<http://www.icc.co.th>).

Criteria for Approval of Related Transaction

1. All related transactions (loan, guarantee, investment, rental or leasing of immovable properties not exceeding 3 years and transactions involving assets or services) must be approved by all the following boards and committee:

1. The Audit Committee
2. The Executive Board
3. The Board of Directors

In every instance, the Audit Committee must audit, scrutinize and make a summary of any conflict of interest in each transaction for submission to the Executive Board and the Board of Directors for the judgment in terms of business risk. In the Board of Directors' Meeting, directors who stood to gain or lose were not entitled to vote, and thus had neither participated in the meeting, nor given any approval to the transaction.

2. The Board of Directors has approved in principle to allow the management to manage all normal business transactions or the transactions that should support normal business terms and conditions under a trade agreement generally made between normal counterparties having no undue bargaining power influenced by being in the capacity of director, executive or related persons.

Approval in principle shall be conducted annually and the report on related transactions arising during the year shall be presented to the Audit Committee and the Board of Directors to ensure such related transactions are of sound reason and in the best interest of the Company, together with disclosure of relevant details, types and value of related transactions in the remarks of financial statement on a quarterly basis.

Criteria for Approval

1. Potential benefits to the company and/or affiliated companies in terms of interest, dividend, trade activity and transaction, including ongoing trade.
2. Security that the company should hold or receive from the said transaction.
3. The borrower's strength, as well as the ability to pay back the capital and interest in due time.
4. Business prospective of the borrowing, guaranteeing and investing company.
5. The capability of the CEO of the borrowing, guaranteeing and investing company.
6. Criteria in monitoring and checking transaction as well as access to statistical reports in the borrowing, guaranteeing and investing company to perceive its status.

The necessity and rationale for entering into transactions with parties with possible conflict of interests

To sustain the company's operations under the prevailing severe competitive situation, the company needed to secure the support of business partners and business alliance network from upstream to downstream industries, further contributing to its competitiveness and business potentials, and leading to its further development and sustainable growth in the future.

While its business partners and business alliance members might be parties with possible conflict of interests, nevertheless, the Board of Directors might find it reasonable and necessary to enter into agreement or transaction with said parties, bearing in mind the best interests of the shareholders and the Company. In such case, the transaction price would be based on normal business terms, without harboring any intention to engage in unjust transfer of company asset or interest to such parties with possible conflict of interests.

Furthermore, the Company has the measure to control the related transaction and limit financial assistance for non-subsidiary companies by requiring that giving loan or guarantee shall be done according to the share-owning proportion in compliance with the joint - venture agreement.

The Company is committed to further improving on its effective standard in assessing the value of related transactions, as well as monitoring, evaluating and reporting on the related transaction with more clarity, thoroughness, accuracy and speed.

Future Trend in Related Transactions

The Board of Directors duly recognized their responsibilities as the directors of a public company in carrying out their duties toward the shareholders, employees, and all stakeholders, in accordance with good corporate governance practices. The prospect of related transactions being undertaken as a normal feature in regular trade, based on the trading principle of price mechanisms in the market, is very likely, provided said transactions are fair and do not serve to transfer the interests relating to price mechanisms between the Company and business or other relevant persons, and disclosure of all relevant information is duly carried out in accordance with the Notification of the Capital Market Supervisory Board, regarding “rules on connected transactions”.